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PHILIP AGEE INTERVIEWED

Ex-Agent Fears More CIA Subversion

Former CIA agent Philip Agee thinks that the Ford Administration will continue to carry out covert political warfare operations abroad despite current revelations and calls for restraint on the CIA's activities. In an interview with Internews, Agee said he thinks that in the post-Vietnam era, Washington will likely increase clandestine activity unless public and congressional pressure forces a cutback in CIA operations.

Philip Agee joined the CIA in 1957, after graduating from Notre Dame. He worked for the CIA for 12 years-primarily in Ecuador, Uruguay, and Mexico-and quit the agency in 1969. Agee's disillusionment with CIA policies in Latin America led to his writing Inside the Company: CIA Diary, which was published earlier this year in Britain, where he now lives. The CIA has said it will try to block publication of Agee's book in the United States. CIA Diary details Agee's activities for the CIA and names 435 individuals and organizations connected with the agency. Agee said the book is also intended to reveal basic CIA methods of operation around the world. "The methodology doesn't change very much from country to country," Agee told Internews. "By showing how it works in two or three countries in Latin America," he said, "people in Asia, Africa and other areas perhaps will be able to spot the same types of things occurring in their countries, which, of course, only work if kept secret."

Agee thinks his book, other exposés of CIA activity such as

The Cult of Intelligence by Marks and Marchetti and the revelations of CIA intervention in Chile have reduced the CIA's ability to carry out covert political warfare. But unless the public and Congress can put a halt to this activity, Agee says, he thinks it will increase, especially in the post-Vietnam period when there is little support in the U.S. for military intervention to achieve U.S. foreign policy goals. "Certainly if Dr. Kissinger can have his way about it," Agee told Internews, "I think it will continue and in fact be expanded."

Agee thinks the CIA should be abolished, and says that the Rockefeller Commission's recommendations are dangerous because they would give the CIA almost a blank check to carry out domestic spying on Americans so long as the surveillance is coordinated with the FBI. Agee does think the Commission's report provides important new information, however, and he hopes that the two Congressional committees will probe more deeply into the agency's overseas activities. He said he was never contacted by the Rockefeller Commission, but that Representative Ron Dellums of California has contacted him by phone and asked for suggestions for the scope of the House inquiry into the CIA. Agee said he would return to the U.S. if invited to testify before Congress.

Agee thinks the CIA has expanded its operations in Portugal and Angola in the last year. He has visited Portugal twice since [continued on page 4]

Torture in Chile: A Personal Account

It is often said that at least one member of nearly every family in Chile has been imprisoned or even tortured by the military junta. In recent months, the junta has conducted a public relations campaign aimed at blunting international criticism of this overwhelming violation of human rights. Yet stories of arrests and torture persist. In the following account, one man, Manuel Cabieses, tells of his own experiences during more than a year spent in the junta's prisons following the 1973 coup. Cabieses was a journalist and member of the central committee of the Left Revolutionary Movement (MIR). When he was arrested he was number 16 on the junta's "most wanted" list. But his experiences in prison are like those of thousands of other Chileans. Last year, Cabieses was released and exiled to Cuba, where he told his story to Prensa Latina:

On the morning of September 11, 1973, Cabieses and his wife Flora left for work as usual. "There were rumors of an uprising," he said, "but nothing concrete." Later, Cabieses went to a friend's apartment where he watched the bombing of the presidential palace and realized that a full coup was in progress. He returned home, wrote letters to his family, sent his children to stay with relatives, and went into hiding. But the family he was staying with became frightened, and he arranged to move.



Manuel Cabieses with his family in Cuba

As he was being driven across town, his car was stopped and Cabieses was arrested. It was September 13.

"I was taken before the officer on guard duty," Cabieses said. "He was holding a page of the newspaper *Mercurio* which had published the picture of the most wanted people. I was number 16 on the list. They began to beat me. They started to

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Chile

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see who could hit the hardest. They were all very happy, since I was their first important arrest."

"A little while later," he continued, "an armored jeep arrived, commanded by an Army lieutenant in battle dress. He told me I was going to the Defense Ministry and that from now on any gesture or movement on my part would mean I was a dead man . . .

"They took me out, with my hands on the back of my neck. They put me next to the driver. The lieutenant lay down on the hood of the vehicle and pointed his rifle at my forehead. Two soldiers were holding their rifles at my back. That's the way I was taken to the Defense Ministry."

"I was led down the corridor with a rifle aimed at me. Suddenly they ordered me to stop. They took away my neckscarf and asked me if I could see without my glasses. I told them 'only with great difficulty.' Then they took my glasses and dashed them to the floor. They blindfolded me with my scarf. Then they turned me around. They ordered me to lie down on the floor in a room and to spread my limbs cross fashion. They beat me savagely and shouted: 'You're the director of the Cuban magazine, that Castro magazine, the MIR magazine!' All this accompanied by blows from rifle butts. They ran over me. They jumped on top of me and crushed my hands under their boots. There were no questions. Only blows and insults. One of them knelt down and took off my watch. They stole everything I had on me.

"After several hours they took me out of the room with shoves and kicks and led me to what I believe was a small yard. They put me up against a wall. . . . I was horribly frightened. I stood tense and straight. I couldn't think of any phrase for posterity. I had no voice. I only thought of my wife and children. 'Ready! Aim!' A minute passed by—a very long minute. The longest in my life.

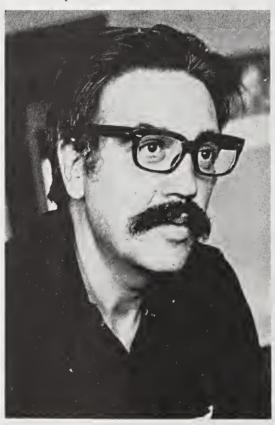
"And I discovered that fear has its limits. At the beginning it is horrible but there comes a moment when you are so afraid that you cross the threshold and enter a state where you don't care about anything and you even want to be killed. You certainly don't want to live.

"I was beaten again as they took me from one place to another. When we passed by what I think was an elevator shaft, they made me put a foot into the empty space and they began to push me around. Then they repeated the mock execution scene...

"We returned to the jeep. We rode for

a few minutes. They took me out again and said they would shoot me in the morning. They took off my blindfold. I was in the guardroom of the Chile stadium which had been turned into a prison camp. ... I walked through a corridor that was full of prisoners. Some were leaning against the wall, others were seated on the floor. Some were bandaged, others not. I heard cries of pain. We arrived at the door to the cell and I was put inside. I spent three days without food. I ate tiny crumbs of bread and covered myself with my jacket. At the end of the third day a group of Popular Unity functionaries was put in the cell with me ... A great number of people were being shot. Others couldn't resist and committed suicide. We couldn't see the other prisoners but we heard them. Sometimes it's worse to hear than to see. The night was full of painful cries."

"In the first half of November," Cabieses continued, "we were taken to Chacabuco [a detention camp in the desert of northern Chile]. The day before I left, I saw my wife for the first time. And I broke up. When she left I started to cry.



Cabieses: "If you died, you were also shot."

"We were received by Capt. Humerto Minoletti Araya who became famous for his brutality. Commander Von Kristchman told us we were prisoners of war, that we were able to abide by the rule which established the death sentence for any infraction. If you tried to hang yourself unsuccessfully, you were shot. If you went on a hunger strike, you were shot. And if you died, you were also shot. . . .

"We organized ourselves into pavilions of 100 persons each. Every pavilion

elected a delegate who formed part of what we called the Council of Elders. The Council elected a president. The chiefs of the pavilions functioned for a month with a right to renewal of post, and the president, whom we called the Eldest, was elected every two weeks. I was elected Eldest several times. It is one of the most honorable posts I have ever held in my life

"One of the jobs of the Council of Elders was to keep the prisoners in the best physical and mental state possible. We created a clinic with 16 doctors who were prisoners. Every prisoner had his case history. We kept the huts clean. And we put out a wall newspaper: Chacabuco '73. We were in constant activity. Nobody was idle . . . One day a soldier accidentally fired his rifle and was seriously hurt. The prison authorities asked our doctors to attend to him. We had excellent surgeons. And while the doctors were operating on him another group of prisoners volunteered to donate blood. The soldier died, but our attitude impressed the other soldiers tremendously....

"There was no physical torture in Chacabuco. It was a camp they had to show off to foreign dignitaries. But there were very severe punishments. Naon Castro, who was director of the railroads during the Popular Unity government, was put into a huge oven and kept on bread and water for several days. He was forced to do all his physical necessities in the same place, and they threw in spiders with him. Several prisoners were punished in the same way."

Cabieses described how the inmates celebrated May Day—pretending it was the birthday of one of the prisoners—and how they commemorated the anniversary of the coup, standing in silence for five minutes at breakfast time. He also emphasized the unity forged in the camp among members of all the left parties.

"I was allowed to have a visitor after several months," Cabieses said. "I didn't know if anybody would come. The trip from Santiago was very expensive. Suddenly I saw that somebody was waving to me from the fence. I waved back without knowing who it was. I had no eyeglasses and I couldn't see well. Suddenly I heard a shout: 'Hello, daddy!' I realized it was my son Javier. I ran to him and hugged him. I couldn't control myself. I cried like a child, and the child cried like a man."

Cabieses was later transferred to another camp at Punchuncavi and then to a third, "Tres Alamos" near Santiago. Finally in January 1974 he was released and expelled from the country along with his family. They are now living in Cuba.

Mozambique Looks Ahead

After ten years of guerrilla war, the Mozambique Liberation Front (FRE-LIMO) took power June 25 in Lourenco Marques, but their slogan is still "A Luta Continua"—the struggle continues.

The militant, leftist movement announced its first government June 29—a government committed to the radical transformation of the former Portuguese colony. The 15-member cabinet led by President Samora Machel is already stressing mass education "to create a new consciousness" and a national campaign of reconstruction and economic development based on cooperative work and state planning.

The country is covered with the red, black, green and yellow FRELIMO flag and insignia: a hoe and gun crossed over a book, symbolizing study, work, and armed struggle. Everywhere there are posters urging vigilance, increased production, and austerity.

The emphasis FRELIMO places on building a new economic system was underlined by the appointment of FRE-LIMO vice-president Marcelino dos Santos as Minister of Development and Economic Planning. Dos Santos, a Marxist, is a highly-respected veteran FRE-LIMO leader.

In his inaugural speech, Pres. Machel called for the creation of a new society, an alliance of peasants and workers, and an "end of exploitation of man by man." He said the new economy should be founded on the principle "to each according to his work and from each according to his ability." Among the key concerns



Crowd at Mozambique Independence Day listens to FRELIMO speaker

of this new society, Machel said, would be education, the elimination of disease, and the emancipation of women.

Machel has stated that foreign investment in the new "People's Republic of Mozambique" will be allowed, but only "within the framework of the new state economic policy." He did not outline that policy in any detail, but FRELIMO is expected to nationalize all key sectors of the economy in the near future.

FRELIMO emphasizes self-reliance, but Mozambique will need foreign assistance initially to overcome its current economic handicaps. Aid from socialist countries can be expected, because FRE-LIMO leaders, like the PRG in Vietnam, maintained good relations with all socialist nations, including both the Soviet Union and China. Aid from Western countries—many of which supported the Portuguese in their colonial war—will likely be limited and greeted with some suspicion. FRELIMO is particularly concerned about becoming dependent economically

on a foreign power.

Foreign affairs will be handled by Joaquin Chissano, the FRELIMO defense minister who led the transition government that administered Mozambique for the past nine months. Correspondent Charlie Cobb of WHUR-FM in Washington reported from Lourenco Marques June 25 that "representatives of all African liberation movements are here now holding talks with the new government" and he predicted that "several liberation movements may shift here within the year." These might include ZANU-a guerrilla movement from Rhodesia (Zimbabwe) which has recently been expelled from its base camps in Zambia.

The new Minister of Education and Culture is a woman, Graca Simbine, and three members of the cabinet are white, including the ministers of justice and health. FRELIMO has appealed to the country's remaining white settlers to stay in Mozambique and help build an antiracist, multi-racial society.

Angola's Future Uncertain

Fighting in Angola between the three rival liberation movements has diminished since they agreed in Kenya June 21 to a ceasefire. But there are still nightly shootouts in the capital of Luanda and little progress has been made on fulfilling the pledges made in Kenya to disarm the civilian population and combine the forces of the rival movements into a single Angolan army.

Angola, the largest and richest of the Portuguese colonies in Africa, is supposed to become independent on November 11, but unlike Mozambique and Guinea-Bissau there is not a single dominant liberation movement and the country has been torn by internal dissension. Some observers charge that this political strife is being exacerbated by outsiders who have their eyes on Angola's oil, diamonds, cof-

fee and other raw materials. Neighboring Zaire, multinational corporations such as Gulf Oil, and the CIA are most often blamed for fanning the flames of civil war in Angola.

Most of the fighting, which has taken the lives of more than a thousand people in recent weeks, is between the rightwing, Zaire-backed Front for the Liberation of Angola (FNLA) and the leftist Popular Movement for the Liberation of Angola (MPLA). Recently, a third group, the National Union for the Total Independence of Angola (UNITA) has been drawn into the factional warfare.

As many as 1,000 whites a day are fleeing Angola, depriving the country of many skilled workers and professionals. Most of the refugees are right-wingers who blame the leftist Portuguese military

government for not actively intervening in Angola to stop the fighting. A few military leaders reportedly agree and would like to see an increase in the 24,000-member Portuguese colonial army. But the anti-colonialist Armed Forces Movement is unlikely to reintervene and the powerful Portuguese Communist party has said that Portuguese military involvement "would not serve the liberation struggle of the Angolan people or the development of Portugal's own revolutionary process."

In their reconcialiation agreement in Kenya—their fifth since the transitional government was formed in January—the MPLA, FLNA and UNITA said that "the grave situation in which Angola finds itself must necessarily be put above any political or ideological divergencies." But despite their fears of civil war, the three movements have not been able to resolve their long-standing political conflicts.

REPORT FROM VIENTIANE

Laos: U.S. Bends With the Wind

The following report was filed by Internews correspondent Linda Garrett who was in Laos during May and June.

Food purchased in Vientiane's Morning Market is generally wrapped with someone's trash, which never fails to be interesting. One day recently I bought sticky rice in a bag made from a page of an Overseas Development Bank brochure and grapes in a U.S. AID computer printout sheet. The most fascinating was the mango wrapper—an AID newsletter which advised all employees to pick up their copies of *Bend with the Wind*, the U.S. "emergency procedures booklet" for diplomats.

The emergency procedures did not include ignoring rumors, advice which might have saved the AID personnel and their families much anxiety. The U.S. community tended to believe stories of rockets aimed at the Embassy, confiscation of all personal property, and Pathet Lao plans to hold Americans hostage. But in spite of rumors and tension, the withdrawal took place without violence, although Americans complained of indignities, harassment, and lack of protection from the Lao government.

AID beat the agreed upon June 30 deadline, getting all their personnel out of the country by June 27. Washing machines, dryers, furniture and TV sets were left behind in the hurried departure. Many Lao families are now proud owners of new furniture and appliances, and a large used clothing section has sprung up

at the Morning Market.

There are fewer U.S. agents around Vientiane, but they still operate. Two known agents, working as teachers in Laos, recently inquired with friends about my visit to Hanoi and when I would return. The U.S. also is apparently still on the lookout for new recruits to spy in Laos, especially since nearly all the Americans have gone. A European cameraman told me that within two hours of the time he purchased his plane ticket to Laos at the end of last month, the U.S. Embassy in Paris telephoned him and requested that he "keep his eyes and ears open for them while in Laos."

The Lao are suspicious that many of the Americans who were in Laos working for non-governmental agencies were also spying for the U.S. Embassy. An article in the Far Eastern Economic Review April 25, widely circulated in Laos, confirmed some of these suspicions. According to the Review, at least two of the Christian voluntary agencies active in Southeast Asia, the Catholic Relief Services and World Vision have been receiving million dollar annual subsidies from U.S. AID-95% of their funding since the Paris Agreement of 1973-in return for political and military intelligence. Both organizations were active in Laos until a few weeks after the Review article appeared and student demonstrations at their offices forced them out of the country. Other organizations, including Operation Brotherhood, International Voluntary



Anti-CIA poster at USAID compound

Services, the Dooley Foundation, and private U.S. firms including Bird Air and Continental Air Services—all with reputed links to the CIA—have also been forced out of Laos in the last few weeks.

As for AID, it is no secret in Laos that the agency has acted as a cover for the CIA in Laos for two decades—a fact acknowledged in 1970 by then AID director John Hannah. The Lao students made the CIA-AID connection a main theme of their demonstrations against U.S. intervention in Laos.

As the Vietnam and Cambodian wars ended in April, corrupt right-wing politicians began to flee the country. Then nearly every government agency became the object of a "manifestation"—a demonstration by workers against corruption, in what neutralist Prime Minister Souvanna Phouma called "a necessary moral and spiritual purification." At the Ministry of Veterans' Affairs, for example, posters, leaflets, and a loud-speaker suddenly appeared one morning

Agee

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January, and told Internews that although he has no concrete proof, he believes the CIA has been deeply involved in that country's political evolution.

The CIA's goal in Portugal, Agee said, would be "to arrange the survival of the Socialist Party of Mario Soares, of the Christian Democratic parties, and, perhaps, of the Popular Democratic Party, because the CIA is trying to keep alive an opposition to leftwing control of the political scene." The CIA "knows that real power lies in the Armed Forces Movement and the Revolutionary Council," Agee said, so the agency's job would be to "collect intelligence on the plans and the divisions within the various factions of the Armed Forces Movement, and to use that information to exacerbate those divisions in order to weaken, andone way or another-to paralyze the government. The other part of the program would be to create economic chaos so that the people would suffer more and tend to blame the government."

This CIA program, Agee thinks, has been carried out in three phases. The first phase was aimed at building a political following behind General Antonio de



Philip Agee

Spinola, who was brought to power by the Armed Forces Movement in the April 1974 coup that overthrew the rightwing Caetano dictatorship.

In the second phase, from September 1974 to January 1975, Agee said the CIA apparently aided attempts by the Socialist Party and others "to establish a Portuguese affiliate of the International Confederation of Free Trade Unions in Brussels." Agee said that Irving Brown, who he describes as the European representative of the A.F. of L. and the principal CIA agent for control of the International Confederation, was in Portugal along with two other Americans from the A.F. of L. The CIA effort was aimed at creating a labor confederation that would rival the Intersindical, which is controlled by the Communist Party. "This was practically a repeat of what happened in France and Italy after World War II," Agee said. But the attempt failed in January when the Intersindical was established as the only

at the end of May. Cartoons depicted well-fed officials cooperating with the Americans or mistreating the people. Speakers stated the crimes of the accused persons, crowds gathered and the Joint Mixed Police observed. This particular demonstration continued for two days before the workers' demands were met. At the Customs Ministry, the demonstration was over in a few hours, at the Bank of Laos it lasted three days.

Some of the ousted officials left the country but many have stayed, and perhaps will work for the government again in the future. A few who feel they have been unjustly accused plan to take their cases to court. But in no instance has there been violence.

When a Lao student was asked what kind of support the students and workers were receiving from the Pathet Lao, he replied, "They only told us we don't have to be afraid anymore." The U.S. Embassy has charged that the formerly passive Lao students are acting under the direction of the Pathet Lao. It seems that while an alliance between the two does exist, there are issues of disagreement. For instance, many students have said privately that all Westerners should leave the country whereas government officials, perhaps more aware of the urgent need for foreign assistance, have said that foreigners working and living in Laos who observe the laws of the country will be well-treated.

Many wealthy foreigners have fled Laos, and the government has outlawed bars, nightclubs, gambling and prostitution, all considered part of the decadent life brought to Laos by the French and the Americans. It is expected that the



Students demonstrate at AID headquarters

opium dens will also be closed in the near future, although opium cultivation will possibly be legalized and controlled by a state agency to be sold for medical purposes.

Although the Pathet Lao clearly have the leading role in the government, a coalition still exists. Cabinet posts vacated by rightwing figures have been filled with neutralists and in some cases even rightists who have agreed to work with the government. But it is expected that the bureaucracy will soon be integrated all over the country. "There will no longer be the Vientiane side. There will no longer be the Pathet Lao side," Prime Minister Souvanna Phouma stated earlier this month, "There will be only the Laotian side."

Whatever new government emerges in the next few months will face many post-

war problems. Besides serious economic problems expected in the cities with the end of U.S. economic aid, the refugees returning to their homes in the Plain of Jars after evacuation by the Americans during the years of massive bombardment are encountering severe difficulties. The fields must be cultivated again and the dikes, destroyed by the bombing, rebuilt. Malaria has become the number one health problem because mosquitoes have been breeding in water-filled bomb craters. The greatest danger to the refugees, however, is from unexploded ordnance. Of the thousands and thousands of tons of bombs dropped, it is likely that 10% did not explode on impact.

Pathet Lao soldiers are assisting the refugees in building homes and cultivating the fields but a serious rice shortage is expected at least during the next six months and possibly for several years.

Important policy decisions are expected soon following the return to Vientiane June 30 of Pathet Lao leader and Foreign Minister Phoumi Vongvichit from several weeks of meeting at Pathet Lao headquarters in Samneua.

As to future relations with the United States, Vongvichit has said that "the government of Laos wishes to maintain diplomatic relations and to remain good friends with the government of the U.S." He also said "Laos hopes to receive more American aid in order to heal the wounds of war and reconstruct the country" but he emphasized that "foreign aid must not be a foreign state within the Lao state." At this point, however, it appears that more U.S. aid to Laos is unlikely, at least in the immediate future.

confederation of working people in Portugal.

The third phase, Agee said, involved planning for the abortive counter-coup by Spinola March 11, and promotion of the Socialist Party and the Christian Democratic parties for the April elections.

Agee added that he thinks that in order to avoid the embarrassment of an exposé of direct involvement in Portugal, the CIA worked indirectly through organizations and parties based in other European countries, such as the European Social Democratic Union, the Christian Democratic Union, the Italian Christian Democratic Party, and the German Social Democrats.

In Angola, Agee thinks it is likely the CIA has worked to prevent the establishment of a leftwing government that would advocate an "extreme form of economic nationalism." Of the three liberation movements in Angola, which are currently fighting among themselves (see

page 3), Agee says he thinks FLNA is supported by the CIA through President Mobutu of Zaire. The purpose, Agee said, would be to impede the accession to power of the Marxist MPLA. "We may be seeing the beginnings now in Angola of the type of turmoil which occurred in the Congo after independence from Belgium."

Agee does not believe that the CIA operates on its own. He considers it a "secret police operation abroad" to promote "optimum operating conditions for U.S. companies" overseas. As long as U.S. foreign policy continues to serve U.S. corporations, says Agee, the CIA will continue to carry out covert political warfare.

"What the CIA is confronted with," he said, "is the need for repression because the conditions in most Third World countries are so oppressive for the vast majority of the population. A tiny minority is able to live very well indeed by any stan-

dards, simply because it controls the income and wealth of the country and is supported by the military and police forces, which are in turn very closely allied with the CIA and our military mission."

Agee thinks the CIA should be abolished and that the American people should look beyond the current revelations about the CIA to examine the forces in the U.S. which created the agency. "The case has got to be made," Agee says, "that the CIA and much of the government apparatus is serving the one percent of the American population that controls over 50 percent of the outstanding stocks in the country. Those are the people who are really running the government and American foreign policy."

Agee says his own experiences working for the CIA in Latin America transformed him from a fervent anticommunist and devout Roman Catholic into a "revolutionary socialist."

internewsroundupinternewsroundup

PERON RISKS CLASH WITH LABOR

One year after the death of her husband, Juan Peron, Argentine President Isabel Peron is trying to ride out the worst crisis so far argentina in her stormy government career.

The threat of a prolonged general strike receded July 1 after a 5-hour meeting between the presi-

dent and the leaders of the General Confederation of Labor (CGT)-but the country's acute economic crisis is deepening and the labor rank-and-file is in open revolt against the government and their conservative trade union officials.

The latest round of turmoil was set off by Pres. Peron's veto June 28 of a 100% across-the-board wage increase for the nation's workers. The veto was too much even for the CGT hierarchy, which has remained steadfastly loyal to the Peronist regime. The CGT considered the 100% pay hike necessary to contend with an 80% rate of inflation that is now expected to soar to 150-200% by the end of the year as a result of new government austerity measures, including a massive devaluation of the peso.

On June 27 the CGT called out 50,000 workers to the historic Plaza de Mayo outside the presidential palace in Buenos Aires to demand approval of the wage increase. Peron refused. Her labor minister, Ricardo Otero, promptly resigned. Wildcat strikes spread throughout the country and militant local union officials demanded a sustained general strike.

The CGT met July 1 with Pres. Peron, but came away emptyhanded. However, the union officials seem unwilling at this time to press the government any further. The question is whether they will be able to withstand the mounting pressure from their increasingly dissatisfied membership.

WORLD FOOD COUNCIL MEETING BREAKS DOWN

The first meeting of the World Food Council ended in bitter dispute June 28 in Rome, with African and Latin American delegates calling for the resignation of the counfood cil's director, John Hannah, the former head of the U.S. Agency for International Development. The 36-nation council was created last November by the United Nations World



Food Conference. It is supposed to monitor the current world food crisis and coordinate relief efforts against famine and malnutrition.

A caucus of 22 Third World countries protested U.S. domination of the council secretariat, whose top three posts are held by Americans. Led by Senegal, Cuba, Algeria, and Mexico, the developing

Hunger in Latin America countries demanded to know why industrialized, food-surplus nations had not met the target of 10 million tons of grain aid set last November by the World Food Conference. Until now only 8.9 million tons have been pledged. This leaves the famine-stricken populations of India, Bangladesh, and north-central Africa in a precarious state of existence.

The council did agree that the long-term solution to world food shortages is an "increase of food production in developing countries" rather than a continuing dependence on food donations from rich countries. But retiring UN Food and Agriculture director A. H. Boerma told the council that self-sufficiency in food production in the Third World was at least a decade away and that 14-20 million tons of grain was needed this year to avoid mass starvation.

Discussions continued in Rome the week of June 30 on the formation of the Third World-proposed International Agricultural Development Fund, which has been promised cash by oilrich Arab nations and the United States.

U.S. MULTINATIONALS USE PRISON LABOR

Several U.S. corporations are using prisoners in Colombia as cheap labor, according to a special investigative report in the **colombia** June 20 Wall Street Journal. The prisoners are paid as little as 45¢ a day for eight hours work. In all cases mentioned by the paper, the U.S. multinationals paid the prisoners less than the Colombian minimum wage of \$1.33 a day, and one U.S. official told the Journal the prisoner work program "could be labeled as exploitation of slave labor for a profit." The corporations involved include B.F. Goodrich, Colgate-Palmolive, and the Container Corporation of America. Some of the prison labor projects started a decade ago.

Colombian prison authorities say that about 6,000 prisoners are currently working for U.S. multinationals and Colombian corporations. About 75% of the prisoners have never been convicted, the Journal said, and some have awaited trial for as long as ten years.

Seventy large Colombian and U.S. companies are supporting a plan to put the entire prison population to work for private corporations. According to the Journal, the proposal has been made by a group called "Action in Colombia," which is financed by Bank of America, Dow Chemical, and IBM, among

Union leaders in Colombia told the Journal they were unaware of the prison work program, but strongly opposed it. Jorge Carillo, head of Colombia's largest labor federation, told the paper: "This would endanger the jobs of factory workers, augment unemployment, and could even be a way to break or stop a union."

"I wish I could say that we were led into this by higher motives, but I really can't," Raymond Miezelis, vice president of Carton de Colombia, a Container Corporation subsidiary, told the Journal. "We've just needed a little extra help in the production lines lately, so ..." Carton de Colombia pays prisoners about 45¢ a day to assemble egg cartons, about 5% of the wages of the company's non-prisoner workers.

STOP THE WORLD, I WANT TO GET OFF

In much of the world, the rate of inflation is slowing. But it is still dangerously high and virtually out of control in some nations, such as Chile, Argentina, and Uruinflation guay. Where inflation has been restrained, it has often meant severe austerity measures, including high unemployment and cutbacks in social services.

The latest figures from the Organization for Economic Cooperation and Development (OECD)-the 24 richest industrial countries-indicate that inflation in Western Europe, Japan and the United States peaked last October at an average rate of 16.2% and is now running just under 12%. Japan has had the greatest success, cutting inflation in half to 14%. Britain, on the other hand, is in worse condition with inflation reaching 25%.

Latin America, according to the OECD survey, is the hardest hit region in the world. Since inflation in capitalist countries started to accelerate in 1973, the average annual rate of inflation in Latin America has gone from 29% to 38%, while industrialized countries have experienced an 8% to 13% rise. Chile is so bad, no one is really sure how high the inflation rate is. The

OECD puts the rate at 394%, but the one-month increase in which did not shut their doors in direct response to the mount-Argentina was trying to contend with 80% inflation until the ing their headquarters to Teheran or Cairo, the New York-based regime of Pres. Isabel Peron introduced "shock treatment" measures (massive devaluation of the peso, etc.) and shot the rate up toward an expected 150-200% by the end of the year. Uruguay suffers a 92% rate and Brazil endures 28%.

Others include: Uganda 80%, Israel 44%, Bangladesh 40%, Nigeria 30%, Zaire, 26%, India 25%, France 12.7%, U.S. 10.2% and W. Germany 6.1%.

The OECD says it does not have figures available for all socialist countries, but estimates that the socialist world is relatively unaffected by inflation elsewhere, with rates of inflation under 5%.

"COMING ON LIKE BELFAST UNDER SIEGE"

The fighting between leftist Moslems and rightist Christians has plunged Lebanon into its third crisis in as many months. The latest wave, beginning June 24, took ebanon another 250 lives and left more than a thousand persons wounded before a cease-fire was even minimally effective. A week of fighting caused Prime Minister



Rashid Karami to form a small, temporary government to attempt to cope with the new emergency. His appointment of conservative Christian Camille Chamoun to the key post of Interior Minister may, however, only aggravate the controversy in the long run,

Street fighting since Chamoun assumed responsibility in 1958 for bringing in the U.S. Marines to quell a similar upsurge of Moslem militancy.

Palestine Liberation Organization President Yasser Arafat twice met with government leaders and appealed to Lebanonbased Palestinians to help restore calm to the divided nation. Even the Marxist Popular Front for the Liberation of Palestinethough critical of Arafat's failure to endorse the demands of the Moslem left-denied that its members were participating in the conflict with the private armies of the right-wing Christian Phalange party.

In intermittent fighting since April, some 700 persons have died, and commercial activity has been totally disrupted-with the financial losses variously estimated from hundreds of millions to a few billion dollars. Strikes have closed the enterprises

April would average out to a staggering yearly rate of 790%. ing violence. As more and more businesses contemplate movnewsletter Mideast Markets commented sourly that Beirut, once the "Paris of the Middle East, has been coming on more like Belfast under siege."

ARABS TO SEEK ISRAEL'S SUSPENSION

The head of the political department of the Palestine Liberation Organization Farouk Khaddoumi told the Beirut Daily Star June 27 that the Arab bloc may try to obtain Israel's suspension from UN membership when the General Assembly reconvenes next fall. According to the PLO spokesperson, the Arab League is expected to take a final decision on this proposal in about two weeks. Khaddoumi said the PLO hopes to win a two-thirds majority in the UN with support from Islamic countries, black Africa, non-aligned nations, and some socialist countries. He noted that the United States has threatened to withdraw from the UN if Israel is suspended, but argued that Arab money could compensate for the loss of the U.S. financial contribution to the UN budget.

A proposal to bar Israel from participating in the major UN conference of 1976, the "Habitat" conference on human settlements, passed by a vote of 16 to 5 at a preparatory meeting in Teheran. The five-day Teheran meeting also passed a resolution recommending that the "Habitat" conference consider the human settlement problems of the Palestinians displaced by the creation of Israel.

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In the face of the inflationary pressures with which all our readers are undoubtedly familiar, Internews will soon be forced to raise its subscription rates for the International Bulletin. Rather than simply announce a new rate schedule, we felt we should give our present subscribers a chance to subscribe at the old rates. We hope you will take advantage of this opportunity to buy gift subscriptions at the very economical six-dollar-per-year rate or to renew your own subscription for as many years as you wish at this bargain rate. We can't forecast how much we will be obliged to charge for the Bulletin in 1980-but a \$30 check now guarantees you five years beyond the expiration of your present subscription. Your check-whether for a gift or to extend your personal subscription—is also an investment in our future. Won't you contribute to our subscription drive and, in the long run, save yourself some money?

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MIDEAST: According to Defense Dept. figures, about half of the 45,000 to 55,000 Americans now in Persian Gulf countries are there because of military-related programs. (AP 6/24) • ISRAEL: Nearly all shops in Haifa and more than 2/3 of Tel Aviv's stores closed to support a 24-hour strike organized by the National Union of Small Shopkeepers. (AP 6/24) OMAN: Saudi Arabia has lent the sultanate of Oman \$100 million to cover its budget deficit and is training Omani parachutists, according to the Lebanese weekly Al Sayyad. (Agence France Presse 6/25) ● FOOD: Two "security-related" countries will get more U.S. aid under a new Food for Peace agreement-\$8 million in wheat to Egypt by Aug. 31 and \$18 million in rice to South Korea by Dec. 31. (AP 7/1) • COPPER: Iran intends to become a full member of the Organization of Copper Producing Countries. (AFP 6/23) • TECHNOLOGY: Sales of U.S. technology abroad rose enormously over the past 10 years, with 87% going to already industrialized countries. (AFP 6/26) • CAPE VERDE: The 300,000 inhabitants of the nine Cape Verde islands will gain independence from Portugal July 5, and a National Assembly elected June 30 is expected to vote soon to make the islands part of Guinea-Bissau. (New York Times 7/1) ● ETHIOPIA: An Eritrean Liberation Front official said

that secessionist forces had surrounded 2,500 government troops near Asmara, capital of Eritrea. (Reuters 6/25) • COLOMBIA: Pres. Alfonso Lopez Michelsen announced a nationwide state of siege. (AFP 6/26) • PANAMA: The House, by a vote of 246 to 164, blocked the use of State Dept. funds to negotiate a transfer of control over the Panama Canal Zone. (Christian Science Monitor 7/1) ● PUERTO RICO: The 1,000 inhabitants of Culebra, a small island off the coast of Puerto Rico, won an 11-year battle with the U.S. Navy when the Pentagon announced July 1 that it had halted all practice shelling of the island. (AP 7/1) VENEZUELA: Government officials are currently holding talks with foreign-owned oil companies regarding the complete nationalization of the country's oil industry before the end of the year. (AP 7/1) • TAI-WAN: Taiwan and Saudi Arabia have signed an agreement to promote trade relations between the two countries. (AFP 6/24) ● THAILAND: Thailand became the 102nd nation to recognize China. (AP 7/1) SPORTS: "It doesn't matter whether I go to China or not, but it would have been a great experience," said heavyweight champion Muhammad Ali, after learning that he had not been invited to China as he had earlier believed. (AFP 6/24)

Indira Gandhi: Patriot or Dictator

Indian president Indira Gandhi's decision to suspend civil liberties in what is often called the world's largest democracy took her opponents and her supporters by surprise and has sparked intense debate throughout the world.

Mrs. Gandhi announced a state of emergency and began rounding up her political rivals June 25, just as her opponents were planning to launch a massive campaign of civil disobedience to force her to resign from office. The campaign—resulting from her conviction June 12 for election fraud—would have had deep significance in India since it is the same method used by Mahatma Gandhi against the British.

The quick arrests-official estimates put the figure near 900, although opposition groups say it runs into the thousands-seem to have broken the momentum of the opposition campaign. The state of emergency could also affect the national elections scheduled for February. Weakened by the corruption issue, Mrs. Gandhi could face a severe test for herself and her Congress party, which has ruled India since independence. Now, some think she could try to delay the elections, or at least keep a tight rein on opposition leaders-many of whom may still be in jail during the election. In addition, she has accompanied the arrest of political leaders with a program of eco-

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nomic reforms, aimed at winning support among India's vast peasantry and isolating her opponents.

Addressing the huge rallies called to support her, Mrs. Gandhi justified her political crackdown, saying that it was necessary to confront a "well-organized and calculated conspiracy of powerful forces" which was "trying to remove her from the political scene." She even indicated that her opponents might go so far as to threaten her life. Her Congress Party has backed her all the way, equating love of India with support for the Prime Minister. "India is Indira and Indira is India," declared the party's president. However, several dissident party members refused to support her and are now in jail.

Opposing Mrs. Gandhi is a coalition made up of several right-wing parties and the anti-corruption movement led by 72-year-old Jayaprakash Narayan. Narayan, whose followers run the gamut from extreme rightists to left-wing communists, has built his anti-Gandhi movement on a moral appeal against corruption and exploitation. The immediate pretext for the state of emergency was a speech by the widely venerated Narayan, announcing a week-long campaign of civil disobedience and calling on the military to disobey orders. Narayan, along with top leaders of the right-wing parties, is now in prison.

Only the Congress's ally, the pro-Soviet Communist Party of India, remains loyal to Mrs. Gandhi.

International reaction to the surprise crackdown has varied. The Soviet Union has supported Mrs. Gandhi's decision, and Pravda ran a story on the crackdown under the headline: "Blow to Rightist Plot." China denounced the state of emergency as a "bitter mockery of bourgeois democracy," saying that because of the growing call for her arrest, Mrs. Gandhi's government "threw off its mask of democracy and law." North Vietnam's army paper Quan Doi Nhan Dan supported the prime minister, attributing the tension in India to "reactionary rightists waging a countrywide movement to try to drive Mrs. Gandhi from office."

The western European press has been almost unanimous in condemning the round-up of political figures in India. Britain's Manchester *Guardian* editorialized: "Mrs. Gandhi has taken a desperate and perilous plunge. At stake now—with democracy in cold storage and over 700 of her opponents in hot prison cells—is not merely her personal political survival.

India's whole system of government, the basis of its life since independence, is in the pot too."

In Washington, State Department officials have been ordered not to comment on the situation in India, but privately government officials described the crackdown as a "setback to democracy."

"For all practical purposes," said the New York Times in an editorial typical of U.S. press reaction, "Prime Minister Indira Gandhi is today the dictator of India, the chief beneficiary of the coup she carried out yesterday. . . . If the Prime Minister and her party had the overwhelming popular support they claim to have—or even if they had not—could they not have withstood the challenge of civil disobedience without taking the repressive measures that have now been adopted?"

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